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### **For Immediate Release**

#### **Hebron Man Guilty of Fraud After Lying to Workers' Comp Insurer *Ordered to pay more than \$15,000 in restitution, fines***

FRANKFORT, Ky. (Dec. 9, 2008) – A Boone County man already in prison on federal charges related to unlawful harboring and employment of illegal aliens has pleaded guilty to an insurance fraud charge after lying to his workers' compensation carrier about the number of employees at his construction business. The workers' comp case was investigated by the Kentucky Department of Insurance (DOI) Fraud Investigation Division.

Robert O. Pratt, 49, of Hebron, has been serving an 18-month sentence on the federal charges and will be released to a federal halfway house on Jan. 9.

In the workers' comp fraud case investigated by DOI, Pratt paid premiums to Kentucky Employers' Mutual Insurance (KEMI) during 2003-2004 for workers' compensation coverage but underreported the number of employees at his Florence business, Pratt's Quality Construction. He pleaded guilty in Boone Circuit Court to one felony count of insurance fraud and was ordered to pay restitution of \$12,546.16 to KEMI and a fine of \$2,155.16 to the DOI Fraud Division for investigative costs. The court also ordered Pratt to pay a fine of \$1,000, a \$30 monthly supervision fee, and \$150 in court costs. He was sentenced to five years on the insurance fraud charge and granted probation.

"Underreporting the number of employees to a workers' compensation carrier is a crime," said Insurance Commissioner Sharon P. Clark. "Not only does this cheat the insurer, it poses a danger to those employees not covered under the policy."

The Department of Insurance is an agency of the Public Protection Cabinet.